

Chesterfield

A MONTHLY UPDATE ON LOCAL
ECONOMIC CONDITIONS



snapshot

AUGUST 2009

OFFICE OF BUDGET & MANAGEMENT

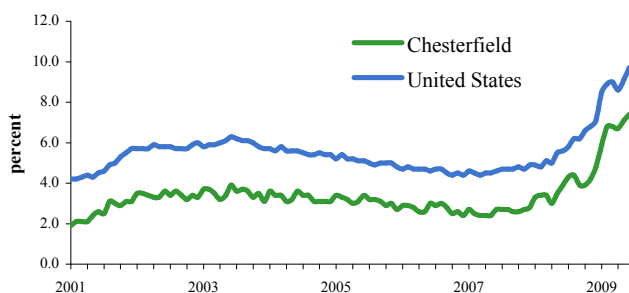
Monthly Summary

Chesterfield's economy continued to exhibit weakness in June, though the pace of deterioration appears to have subsided somewhat. Home construction remained sluggish, however, the County issued 70 single-family permits in June, which marked a 10-month high. Similarly, local consumers continued to clinch their wallets, though the June readings were not as soft as they have been in previous months. Total car registrations, for example, were only 12.7 percent below their year-ago level in June, following successive months of more than 20 percent declines. Weakness in area labor markets, on the other hand, showed no signs of moderating as unemployment climbed another three tenths of percentage point to finish the month at 7.4 percent.

Spotlight on... *commercial real estate*

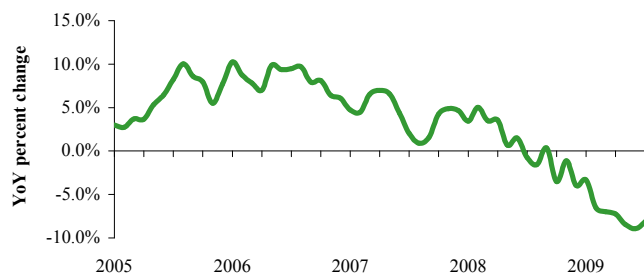
Declines in consumer spending and deep reductions in local payrolls have had a marked impact on area commercial real estate conditions. According to Thalhimer's Mid-Year Report, the overall office vacancy rate for the Richmond area finished the second quarter at 9.8 percent, two points above its year-ago mark. On the retail front, the story is much the same. The region's overall vacancy rate rose 1.4 percentage points over the past year to close the second quarter at 6.9 percent. Recent weakness in commercial conditions has been particularly pronounced in a number of Chesterfield submarkets. The Midlothian Turnpike office corridor (15.3 percent) and the Jeff Davis retail corridor (11.6 percent) both posted the highest vacancy rate for their respective sectors during the second quarter.

Unemployment Rate (%)



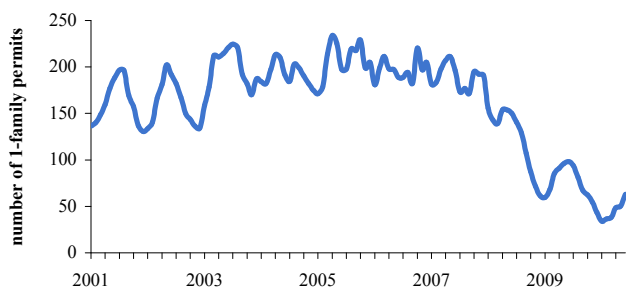
Area	June 2009	June 2008	YoY Chg
Chesterfield County	7.4	3.9	3.5
Richmond MSA	8.4	4.4	4.0
Virginia	7.3	3.9	3.4
United States	9.7	5.6	4.1

Sales Tax Receipts (3-month moving average)



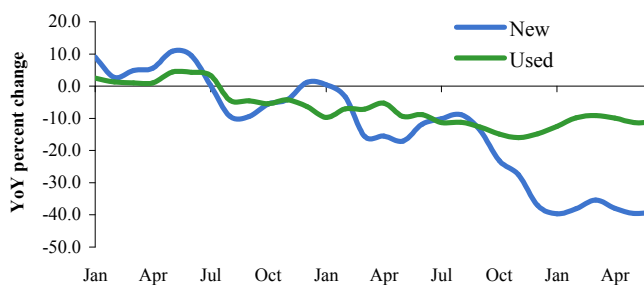
Area	June 2009	June 2008	YoY Chg
Chesterfield County	\$3,132,049	\$3,359,213	-6.8%
Hanover County	\$1,343,858	\$1,503,876	-10.6%
Henrico County	\$4,551,983	\$4,652,209	-2.2%
Richmond City	\$2,808,680	\$2,722,353	3.2%

Single-Family Permits (3-month moving average)



Area	June 2009	June 2008	YoY Chg
Chesterfield County	63	98	-35.7%
Richmond MSA	264	381	-30.7%
Virginia	1,561	1,890	-17.4%
United States	40,770	60,861	-33.0%

Car Registrations (Total)



Area	June 2009	June 2008	YoY Chg
Chesterfield County	5,026	5,756	-12.7%
Henrico County	4,964	5,297	-6.3%
Richmond City	3,971	7,497	-47.0%
Virginia	137,577	149,035	-7.7%